

STATEMENT OF BASIS (AI No. 100229)

for draft Louisiana Pollutant Discharge Elimination System permit No. LA0118753 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: Pelican Ship Yard & Machine Shop
28805 Intracoastal Road
Plaquemine, Louisiana 70764

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

PREPARED BY: Christy Clark

DATE PREPARED: November 6, 2009

1. PERMIT STATUS

A. Reason For Permit Action:

Permit reissuance of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term.

B. NPDES permit – NPDES permit effective date: N/A
NPDES permit expiration date: N/A
EPA has not retained enforcement authority.

C. LPDES Individual Permit LA0118753 –
LPDES permit effective date: March 1, 2004
LPDES permit modification: April 1, 2005
LPDES permit expiration date: February 28, 2009

D. LPDES General Permit Authorization LAR05N242 -
LPDES General Permit Coverage Reauthorization Effective Date:
May 24, 2006
LPDES General Permit Coverage Reauthorization Expiration Date:
April 30, 2011

E. Date Application Received: August 20, 2008

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - Shipyard

This is an existing shipyard. Repair operations done at this facility consist of sandblasting, painting, welding, and cutting. On occasion, the facility may conduct a wash down of vessel decks. Decks are cleaned of any material and any visible areas of deck contamination (i.e. oil leaks) and are wiped clean prior to washing. If required, biodegradable soaps may also be used during the washing process.

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B. FEE RATE

1. Fee Rating Facility Type: minor
2. Complexity Type: I (per the Interim Strategy for Complexity Designation Determinations for SIC Codes 3731 and 3732)
3. Wastewater Type: III
4. SIC code: 3731 and 3732

C. LOCATION - 28805 Intracoastal Road, Plaquemine, Louisiana 70764, Iberville Parish
Latitude 30°13' 43", Longitude 91°19' 00"

3. OUTFALL INFORMATION

Outfall 001

Discharge Type: incoming ballast water and void water.
Treatment: none
Location: at the point of discharge from the vessel prior to combining with other waters
Flow: intermittent
Discharge Route: Intracoastal Waterway

Outfall 002

Discharge Type: facility ballast water and void water
Treatment: none
Location: at the point of discharge from the vessel prior to combining with other waters
Flow: intermittent
Discharge Route: Intracoastal Waterway

4. RECEIVING WATERS

STREAM - Intracoastal Waterway

BASIN AND SEGMENT - Terrebonne Basin, Segment 120109

DESIGNATED USES -
a. primary contact recreation
b. secondary contact recreation
c. propagation of fish and wildlife
d. drinking water supply

5. TMDL STATUS

Subsegment 120109, Intracoastal Waterway – From Port Allen Locks to Bayou Sorrel Locks, is listed on LDEQ's Final 2006 303 (d) list as impaired for sulfates (EPA – Category 5). To date, no TMDLs have been established for the sulfate impairment. Based on the evaluation of the effluent discharges, it was determined that the facility does not have the potential to discharge pollutants which may contribute to the sulfates impairment of the receiving waterbody.

A reopener clause will be established in the permit to allow for the requirement of more stringent effluent limitations and requirements as imposed by a future TMDL.

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Subsegment 120109 was previously listed as impaired for Dissolved Oxygen & Nutrients and Fecal Coliform for which the below TMDLs have been developed. The Department of Environmental Quality reserves the right to impose more stringent discharge limitations and/or additional restrictions in the future to maintain the water quality integrity and the designated uses of the receiving water bodies based upon additional TMDLs and/or water quality studies. LDEQ also reserves the right to modify or revoke and reissue this permit based upon any changes to established TMDLs for this discharge, or to accommodate for pollutant trading provisions in approved TMDL watersheds as necessary to achieve compliance with water quality standards.

The following TMDLs have been established for subsegment 120109:

TMDLs for Fecal Coliform Bacteria, Chlorides, Sulfates, Total Dissolved Solids (TDS), Sediment, Total Suspended Solids (TSS), and Turbidity for Selected Subsegments in the Terrebonne Basin, Louisiana (finalized on April 19, 2007)

Fecal Coliform

Subsegment 120109 was listed as impaired for fecal coliform bacteria. The suspected source listed in the TMDL was on-site treatment systems. Pelican Ship Yard and Machine Shop does not discharge sanitary wastewater, therefore, it is not expected to contribute to the fecal coliform bacteria impairment and no additional limitations have been added to the permit.

TMDLs for Dissolved Oxygen and Nutrients in Selected Subsegments in the Upper Terrebonne Basin, Louisiana (finalized on April 2, 2008)

Dissolved Oxygen and Nutrients

Pelican Ship Yard & Machine Shop was not identified as a point source discharge contributing to the dissolved oxygen and nutrient impairments in the above mentioned TMDL. It was determined that this facility's discharges do not have the potential to contribute to further dissolved oxygen and nutrient impairments. However, COD limitations from the current LPDES permit have been retained.

LDEQ's position regarding water quality criteria for nutrients is that when oxygen-demanding substances are controlled and limited in order to ensure that the dissolved oxygen criterion is supported, nutrients are also controlled and limited. See In The Matter of Sierra Club and Louisiana Environmental Network Request for Nutrient Limits. Docket No. AHD-DR-96001. LDEQ April 29, 1996. LAC 33:IX.2707.D.1.f.iii allows the establishment of effluent limitations based on an indicator parameter for the pollutant of concern. LDEQ's consistent approach to controlling nutrients where the WQMP does not otherwise require specific nutrient limitations is achieved by limiting the discharge of oxygen-demanding substances through COD limitations. Compliance with the COD limitations as an indicator parameter will result in the control of nutrients from the discharge sufficient to attain and maintain the applicable water quality standard. Effluent monitoring of the indicator parameter as conducted by the permittee in accordance with the permit in addition to LDEQ's ambient water quality monitoring program will allow for further evaluation by the Department to determine the effectiveness of the limitation. The reopener clause located in Part II of the permit allows the Department to modify or revoke and reissue the permit if the limitations as set on the indicator parameter are shown to no longer attain and maintain applicable water quality standards.

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6. CHANGES FROM PREVIOUS PERMIT

- A. Outfall 001 – the description has been changed from “the discharge of incoming ballast and/or void tank water from customer barges” to “the intermittent discharge of incoming ballast water and void water.”
- B. Outfall 002 – the description has been changed from “the discharge of maintenance ballast and/or void tank water from work barges” to “the intermittent discharge of facility ballast water and void water.” The monitoring frequencies for Flow, COD, Oil & Grease, and pH have been changed from 1/month to 1/event. Visible Sheen has been added as a parameter with no presence as a discharge limitation and a monitoring frequency of 1/day when discharging.

7. COMPLIANCE HISTORY/COMMENTS

1. OEC – There are no open, appealed, or pending OES/water enforcement actions as of October 22, 2009.
2. OEC, Surveillance – There are no inspections on file as of October 22, 2009.
3. DMR Review/Excursions – A review of the DMRs for January 2007 through June 2009 revealed no excursions.

8. EXISTING EFFLUENT LIMITS

Outfall 001: the discharge of incoming ballast and/or void tank water from customer barges

Effluent Characteristic	Monthly Average	Daily Maximum	Frequency
Flow – MGD	Report	Report	1/week
COD	---	250 mg/L	1/week
Oil & Grease	---	15 mg/L	1/week
pH (standard units)	6.0 (Min)	9.0 (Max)	1/week

Outfall 002: the discharge of maintenance ballast and/or void tank water from work barges

Effluent Characteristic	Monthly Average	Daily Maximum	Frequency
Flow – MGD	Report	Report	1/month
COD	---	250 mg/L	1/month
Oil & Grease	---	15 mg/L	1/month
pH (standard units)	6.0 (Min)	9.0 (Max)	1/month

Sampling for Outfall 002 is only required if visible oil sheen is present

9. ENDANGERED SPECIES

The receiving waterbody, Subsegment 120109 of the Terrebonne Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated November 17, 2008 from Rieck (FWS) to Nolan (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. The effluent limitations established in the permit ensure protection of aquatic life and

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maintenance of the receiving water as aquatic habitat. Therefore, the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat.

10. HISTORIC SITES

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

11. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to issue a permit for the discharge described in the application.

12. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

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Rationale for Pelican Ship Yard & Machine Shop

1. **Outfall 001:** incoming ballast water and void water.

Pollutant	Limitation		Reference
	Monthly Avg	Daily Max	
	mg/L		
Flow, MGD	Report	Report	LAC 33:IX.2707.I.1.b.
COD	---	250	BPJ; Similar discharges (LA0108944)
Oil & Grease	---	15	BPJ; Similar discharges (LA0108944)
pH, s.u.	6.0 (min)	9.0 (max)	LAC 33:IX.1113.C.1.

BPJ Best Professional Judgment

Treatment: none

Discharge Location: at the point of discharge from the vessel prior to combining with other waters.

Flow: Established in accordance with LAC 33:IX.2707.I.1.b. The monitoring frequency of 1/week has been retained from the current LPDES permit.

COD and Oil & Grease: Daily Maximum limitations of 250 mg/L for COD and 15 mg/L for Oil & Grease and monitoring frequencies of 1/week have been retained from the current LPDES permit and are based on BPJ for similar discharges (LA0108944).

pH: Established in accordance with LAC 33:IX.1113.C.1. The monitoring frequency of 1/week has been retained from the current LPDES permit.

2. **Outfall 002:** facility ballast water and void water.

Pollutant	Limitation		Reference
	Monthly Avg	Daily Max	
	mg/L		
Flow ¹ , MGD	Report	Report	LAC 33:IX.2707.I.1.b.
COD ¹	---	250	BPJ; Similar discharges (LA0108944)
Oil & Grease ¹	---	15	BPJ; Similar discharges (LA0108944)
Visible Sheen ²	---	No presence	BPJ; Similar discharges (LA0108944)
pH, s.u. ¹	6.0 (min)	9.0 (max)	LAC 33:IX.1113.C.1.

1. Discharge shall be sampled whenever there is a presence of a visible sheen.

2. When discharging.

BPJ Best Professional Judgment

Treatment: none

Discharge Location: at the point of discharge from the vessel prior to combining with other waters.

Flow: Established in accordance with LAC 33:IX.2707.I.1.b. The monitoring frequency has been changed from 1/month to 1/event, when visible sheen is present, based on BPJ and similar discharges (LA0108944).

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COD and Oil & Grease: Daily Maximum limitations of 250 mg/L for COD and 15 mg/L for Oil & Grease have been retained from the current LPDES permit. The monitoring frequencies have been changed from 1/month to 1/event, when visible sheen is present based, on BPJ and similar discharges (LA0108944).

Visible Sheen: Established as a parameter with a limitation of no presence and a monitoring frequency of 1/day when discharging based on BPJ and similar discharges (LA0108944).

pH: Established in accordance with LAC 33:IX.1113.C.1. The monitoring frequency has been changed from 1/month to 1/event, when visible sheen is present, based on BPJ and similar discharges (LA0108944).

Stormwater Runoff

The stormwater runoff from this facility is covered by Sector R of the Multi-Sector General Permit (MSGP) authorization number LAR05N242 for stormwater discharges.